**From Union Halls to Billionaire Boards: The Long Shift of Structural Power in the United States**

Douglas C. Youvan

doug@youvan.com

www.youvan.ai

November 30, 2025

For much of the twentieth century, organized labor was one of the central power blocs in American life. Unions negotiated wages and benefits for tens of millions, helped stabilize the postwar middle class, and served as a counterweight to corporate and financial power. Today, by contrast, the most visible and consequential actors in American political economy are not mass organizations of workers but a relatively small stratum of ultra-wealthy individuals and the corporations they control. Billionaires shape elections, set the terms of public debate through media ownership and philanthropy, and exert outsized influence over policy agendas at every level of government. This paper asks whether it is accurate to say that the structural power once held by US labor unions has effectively shifted to billionaire oligarchs, and if so, over what period and through which mechanisms that transformation occurred. We trace the arc from the high-water mark of union strength in the mid-twentieth century through the crises of the 1970s, the neoliberal turn, and the rise of a concentrated billionaire class. Along the way, we examine how changing laws, economic structures, and cultural narratives eroded collective worker power and normalized elite dominance. The paper concludes by considering contemporary counter-movements and what a rebalancing of power might require.

Keywords: labor unions, oligarchs, billionaires, political economy, union density, neoliberalism, financialization, globalization, campaign finance, Citizens United, class power, inequality, democracy, corporate governance, philanthrocapitalism.

A collaboration with GPT-5.1-Thinking-Extended. 49 pages. CC4.0.

**Outline**

**1. Introduction: Asking Where Power Went**
1.1 Framing the question of structural power in the US
1.2 Definitions: unions, oligarchs, and "structural power"
1.3 Why the 1940s–1970s matter as a baseline
1.4 Method and scope of the argument

**2. The High-Water Mark of American Labor (1940s–1970s)**
2.1 The New Deal settlement and institutionalization of unions
2.2 Union density, wage norms, and the mid-century middle class
2.3 Political clout: unions, parties, and national policy
2.4 Limits and exclusions: race, gender, and sectoral gaps in union power

**3. Early Cracks: Crisis, Inflation, and the 1970s Turning Point**
3.1 Stagflation, productivity slowdown, and changing corporate strategies
3.2 Deindustrialization and the erosion of the industrial union base
3.3 Ideological shifts: from class compromise to shareholder primacy
3.4 Legal and regulatory environments at the cusp of change

**4. The Neoliberal Turn and the Anti-Union Offensive (1980s–1990s)**
4.1 Reagan, PATCO, and the normalization of union-busting
4.2 Deregulation, trade liberalization, and capital mobility
4.3 Right-to-work expansion and the weakening of collective bargaining
4.4 From social partnership to labor containment: changing employer tactics

**5. Financialization, Globalization, and the Hollowing Out of Worker Power**
5.1 Financial markets as the new command center of the firm
5.2 Offshoring, supply chains, and the fragmentation of labor forces
5.3 The decline of sectoral bargaining and standardized wage-setting
5.4 The cultural de-legitimization of unions in media and politics

**6. The Rise of the Billionaire Class and New Forms of Oligarchy**
6.1 The post-1980 explosion of top-end wealth
6.2 Tech, finance, and the making of a new elite cohort
6.3 From industrial magnates to financial and digital oligarchs
6.4 Billionaires as a class: shared interests, networks, and infrastructures

**7. Mechanisms of Oligarchic Power in a Post-Union Era**

7.1 Campaign finance, Super PACs, and dark money

7.2 Lobbying, revolving doors, and regulatory capture

7.3 Media ownership, platforms, and the shaping of public narratives

7.4 Philanthrocapitalism: foundations, think tanks, and agenda-setting

**8. Consequences for Inequality, Work, and Democracy**

8.1 Wage stagnation, precarity, and the new workplace hierarchy

8.2 Regional and sectoral divergence: where unions vanished and where they survived

8.3 Policy outcomes: taxation, welfare, and social insurance under oligarchic influence

8.4 Democratic erosion: participation, trust, and the sense of collective agency

**9. Countercurrents: New Labor Experiments and Contested Oligarchy**

9.1 Service-sector organizing and campaigns like “Fight for 15”

9.2 Unionization efforts in tech, logistics, and higher education

9.3 Alternative forms of worker power: co-ops, worker centers, and digital organizing

9.4 Elite splits, reformist billionaires, and the limits of intra-oligarch conflict

**10. Was There a Direct Transfer of Power? Interpreting the Shift**

10.1 Continuity and rupture: what changed and what persisted

10.2 Structural substitution versus parallel developments

10.3 Power as a system: states, corporations, unions, and elites in interaction

10.4 The advantages and limits of the “union power to oligarch power” thesis

**11. Future Trajectories: Rebalancing Power in a Billionaire Age**

11.1 Legal and institutional reforms: labor law, campaign finance, and corporate governance

11.2 Reimagining unions for fragmented, digital, and gig economies

11.3 Democratic innovations: participatory budgeting, workplace democracy, and beyond

11.4 Open questions: can mass organizations meaningfully constrain oligarchs again?

**12. References**

12.1 Historical works on US labor and unionization

12.2 Studies of inequality, wealth concentration, and oligarchic power

12.3 Analyses of campaign finance, lobbying, and regulatory capture

12.4 Literature on financialization, globalization, and corporate governance

12.5 Contemporary accounts of new labor movements and democratic reform

## 1. Introduction: Asking Where Power Went

The idea that power in the United States has migrated from union halls to billionaire boardrooms is not simply a nostalgic trope or a partisan slogan. It points to a deeper question about how modern societies organize conflict, distribute resources, and decide whose interests count when trade-offs are made. For several decades after the Second World War, organized labor appeared to be one of the central pillars of American democracy, alongside elected officials, large corporations, and national security institutions. Today, that role seems to have been taken up by a relatively small stratum of ultra-wealthy individuals and their corporate and financial vehicles, whose decisions shape markets, public policy, and even the boundaries of acceptable political imagination. This paper situates that perceived shift in a longer historical arc and asks what it reveals about structural power in the United States.

The argument does not presume a golden age of perfect balance or a simple story of one bloc of actors handing a baton to another. Instead, it treats the rise and decline of organized labor and the emergence of billionaire-class influence as intertwined processes within a changing political economy. The central question is not whether unions were ever omnipotent or whether oligarchs now control everything, but whether the relative weight of these actors in structuring outcomes has shifted decisively over the past half-century, and through what mechanisms that shift has taken place.

### 1.1 Framing the question of structural power in the US

Any serious inquiry into power must distinguish between visible conflict and underlying structure. Elections, legislative battles, and media controversies can create the impression that power lies primarily in the outcomes of discrete contests. Structural power, by contrast, concerns who is able to set the agenda, define the range of plausible options, and shape the background conditions under which others must act. In this sense, power has less to do with winning particular fights than with deciding which fights are possible and which are never even imagined.

This paper asks where structural power has resided in the United States across the twentieth and early twenty-first centuries. During the mid-twentieth century, large industrial unions played a significant role in shaping wage norms, pushing for social programs, and influencing electoral coalitions. Their presence affected not only their own members but also non-union workers, firms, and policymakers who had to anticipate union reactions. In more recent decades, high-net-worth individuals and the firms they control have acquired an increasingly central role in financing campaigns, organizing policy coalitions, funding think tanks, and structuring markets.

Framing the question this way allows us to move beyond simple stories of cultural decline or moral failure. Instead, the focus is on institutional arrangements, legal regimes, economic transformations, and ideological shifts that collectively reconfigured who can credibly threaten, reward, or constrain whom. The hypothesis is not that unions vanished and oligarchs appeared from nowhere, but that changing conditions altered the relative capacity of each to influence the basic rules and trajectories of social life.

### 1.2 Definitions: unions, oligarchs, and "structural power"

For the purposes of this paper, unions are understood as legally recognized organizations that represent workers in collective bargaining with employers and, more broadly, seek to advance workers' interests in the public sphere. This includes large industrial unions that dominated mid-century manufacturing, public sector unions that grew later in the century, and smaller sectoral unions whose influence has been more uneven. Unions exercise power not only at bargaining tables but also through their ability to mobilize members, build alliances, and participate in electoral politics.

The term oligarch is used here in a descriptive, not sensational, sense. It denotes individuals whose wealth and control over key assets are so great that they can exert systematic influence over political and economic outcomes, often independent of formal democratic accountability. While the term is frequently applied to elites in post-Soviet or developing contexts, it is increasingly used to describe the role of billionaires and their corporate, financial, and philanthropic vehicles in advanced capitalist democracies. Oligarchic power is not only a function of personal wealth but also of dense networks, ownership structures, and access to institutional levers.

Structural power refers to the capacity of a social group or class to shape the behavior and options of others by virtue of its position in the economic and institutional order. This includes the power of capital to threaten disinvestment or relocation, the power of labor to withdraw work, and the power of wealth to tilt regulatory regimes and public debates. Structural power is distinct from episodic influence or charismatic leadership; it resides in the ongoing ability to affect costs, opportunities, and constraints for other actors without needing to constantly apply overt pressure. With these definitions in place, we can more precisely trace how the structural positions of unions and oligarchic elites have evolved over time.

### 1.3 Why the 1940s–1970s matter as a baseline

The period from the 1940s through the 1970s provides a crucial baseline for this analysis because it represents an historically unusual configuration of class relations, institutional design, and geopolitical context. In the wake of the Great Depression and the Second World War, the United States adopted a series of legal and policy frameworks that recognized unions as

legitimate bargaining partners and integrated them into a broader compromise between capital and labor. High union density, especially in manufacturing and related sectors, coincided with rising real wages, expanding social programs, and a mass middle class whose fortunes were closely tied to collective bargaining outcomes.

At the same time, this settlement was bounded and incomplete. It was racially stratified, gendered, and regionally uneven, with large swaths of the workforce excluded from union protections or confined to weaker organizations. Nonetheless, the institutional presence of unions was sufficiently strong that their interests had to be taken into account in major policy decisions, from trade to taxation to social insurance. Unions had a seat at the table in ways that would be difficult to imagine in later decades.

Using this period as a baseline does not imply that it should be idealized or simply restored. Rather, it serves as a reference point against which subsequent changes can be measured. When we observe declining union density, shifting wage norms, and growing inequality in later decades, we can ask whether those trends correspond to a relocation of structural power away from collective worker organizations and toward other centers of influence, including increasingly concentrated private wealth.

**1.4 Method and scope of the argument**

The argument that follows is conceptual and synthetic rather than narrowly empirical or econometric. It draws on historical scholarship, political economy, and contemporary analyses to reconstruct the broad contours of power shifts in the United States over roughly eight decades. The paper does not aim to provide exhaustive statistical proof for every claim; instead, it maps the interplay between legal regimes, economic transformations, and political strategies that collectively reconfigured the balance between organized labor and wealthy elites.

The scope is deliberately focused on structural power rather than individual elections or personalities. While particular leaders, parties, and crises matter, the emphasis is on recurring patterns and durable institutions. The analysis proceeds period by period: first, describing the high-water mark of union strength; second, examining the crises and turning points of the 1970s; third, tracing the neoliberal turn and the acceleration of union decline; and finally, detailing the rise of the billionaire class and the mechanisms through which oligarchic power is exercised.

Because the concept of a direct transfer of power from unions to oligarchs can be misleading if taken too literally, the paper also includes a critical section that questions how far this framing can be pushed. Throughout, the goal is to offer a clear, historically grounded account of how the United States moved from a political economy in which unions were central actors to one in which billionaires and their institutions occupy much of the same structural space. The

conclusion then considers what this trajectory implies for future contestation and potential rebalancing.

## 2. The High-Water Mark of American Labor (1940s–1970s)

The decades from the 1940s through the 1970s are often described as the golden age of American organized labor. This was the period when unions were not only widespread but institutionally embedded in the way firms set wages, the way parties crafted platforms, and the way the state imagined social compromise. Union leaders sat across the table from corporate executives and, in many industries, helped determine the pace of wage growth, the design of benefits, and the norms of job security. For a large segment of the workforce, the union contract was the backbone of economic life.

Yet this high-water mark did not appear spontaneously. It was the product of New Deal legislation, wartime mobilization, and a postwar political settlement that accepted unions as legitimate, if sometimes contentious, partners in economic governance. It is also crucial to remember that this settlement was partial and exclusionary. The power unions wielded in the factories of the Midwest did not extend evenly to the fields of the South, the informal labor of Black domestic workers, or the sprawling service sectors that would later dominate the economy. Understanding both the strength and the limits of this era is essential for grasping what was subsequently lost.

### 2.1 The New Deal settlement and institutionalization of unions

The institutional foundations of mid-century union power were laid in the 1930s. The National Labor Relations Act established a federal framework for collective bargaining, enshrining workers' rights to organize and obligating employers to negotiate in good faith with duly chosen representatives. The National Labor Relations Board became the arbiter of representation elections and unfair labor practices, giving unions a legal pathway to recognition that had previously depended far more on strikes and informal pressure.

This legal framework was reinforced by political and economic conditions that favored collective bargaining. The Great Depression had discredited laissez-faire approaches, and mass unemployment made the promise of secure, unionized jobs particularly attractive. The Congress of Industrial Organizations pioneered industrial unionism in auto, steel, rubber, and other mass-production sectors, organizing entire plants rather than just skilled crafts. Sit-down strikes and other disruptive tactics pressured employers to accept unions, but the key was that the state increasingly recognized these organizations as legitimate interlocutors rather than subversive threats.

During the Second World War, the institutionalization of unions deepened. The federal government sought labor peace to keep production flowing, and wartime boards often brokered agreements that accepted unions in exchange for no-strike pledges and wage guidelines. Union membership soared, and by the end of the war collective bargaining was a normal, if sometimes combative, feature of industrial relations. Even the Taft-Hartley Act, passed in 1947 as a backlash against perceived union excess, did not dismantle this system. It constrained certain tactics and opened the door to right-to-work laws, but it left the basic architecture of union recognition and bargaining largely intact.

**2.2 Union density, wage norms, and the mid-century middle class**

By the late 1940s and 1950s, union density in the nonfarm workforce reached levels that would later seem almost unimaginable. In many key industries, the majority of workers were covered by union contracts, and even non-union firms had to offer comparable wages and benefits to retain labor. This created a pattern-setting function: contracts negotiated in auto or steel often established norms that rippled outward, shaping expectations across sectors.

These wage norms underwrote the mid-century middle class. Rising productivity was, for a time, matched by rising real wages, and unions frequently emphasized not only hourly pay but also health insurance, pensions, and other benefits that would become central to American notions of a "good job." The famous agreements between major industrial unions and firms like General Motors symbolized a broader social compact in which workers accepted managerial authority and the basic contours of capitalism in exchange for a share of the gains and a degree of security.

The effect extended beyond union members. Employers in non-union firms often matched union wages to prevent organizing drives or to remain competitive in tight labor markets. Minimum wage policy and social insurance programs were influenced by the political weight of organized labor, reinforcing the floor beneath the entire wage structure. While regional and sectoral disparities persisted, there was a widespread sense that a single breadwinner, especially in manufacturing, could support a family, buy a house, and reasonably expect modest upward mobility. This was not solely the work of unions, but unions were central to institutionalizing and defending these expectations.

**2.3 Political clout: unions, parties, and national policy**

Unions were not just economic actors; they were political players. Their organizational capacity, dues-funded treasuries, and mobilized memberships made them important allies for politicians, particularly in the Democratic Party. Union endorsements carried weight in primaries and general elections, and union field operations were crucial for voter registration drives, get-out-the-vote efforts, and issue campaigning.

This political clout translated into influence over policy agendas. Union support helped sustain and expand New Deal programs such as Social Security and unemployment insurance, and it played a role in advancing later initiatives including Medicare and Medicaid. Labor leaders had access to party elites and often participated in advisory councils and commissions. In some cases, unions worked closely with business and government to design industrial policies, training programs, and regional development schemes, reflecting a vision of tripartite cooperation.

At the local and state level, unions shaped urban politics, school board elections, and the governance of public services. Public sector unionism, though slower to develop, eventually extended this influence into municipal and state bureaucracies. The combination of workplace organization and political engagement gave unions a dual presence in the lives of their members: they were both the negotiators of contracts and the advocates for broader social protections. In the aggregate, this made them a significant counterweight to corporate lobbies and business associations, even if that balance was never perfect and often contested.

**2.4 Limits and exclusions: race, gender, and sectoral gaps in union power**

The high-water mark of American labor was also marked by deep exclusions that limited both the reach and the legitimacy of union power. From its inception, the legal framework of the New Deal had carved out large categories of workers, notably agricultural and domestic labor, from federal protections. These categories were not randomly chosen; they reflected and reinforced the racial order of the Jim Crow South, where Black workers were disproportionately concentrated in exactly those sectors. As a result, many of the workers most in need of collective protection were left outside the core institutional apparatus of unionism.

Within unionized sectors, racial and gender inequalities persisted. Some unions explicitly barred Black workers or relegated them to segregated locals and lower-paid job classifications. Women were often confined to particular occupations, such as clerical work or light manufacturing, that either lacked strong unions or were treated as peripheral. Even when women and minority workers were union members, their representation in leadership positions was limited, and their specific concerns were not always prioritized in bargaining or political work.

Regionally, the South remained far less unionized than the industrial North and Midwest. Right-to-work laws, political hostility to unions, and entrenched racial hierarchies made organizing difficult and dangerous. This regional gap mattered because it allowed capital to play one region against another, threatening plant relocations to lower-wage, less-unionized areas long before globalization allowed the same strategy to be deployed internationally. Large swaths of the service sector, including retail, hospitality, and many forms of care work, also remained weakly organized or entirely non-union, creating an enduring dualism in the labor market.

These exclusions and gaps did not negate the real power unions exercised where they were strong, but they set clear limits on how far that power could extend. They also planted seeds for later vulnerabilities. As the economy shifted away from heavily unionized manufacturing toward services and as civil rights and feminist movements raised expectations among previously marginalized workers, the union movement faced the challenge of transforming itself into a more inclusive, flexible, and broad-based force. Its uneven success in meeting that challenge would become increasingly consequential as the postwar settlement began to unravel.

## 3. Early Cracks: Crisis, Inflation, and the 1970s Turning Point

By the early 1970s, the postwar labor-capital compromise that had sustained union strength and a relatively egalitarian wage structure was under visible strain. A constellation of pressures converged: rising inflation, slower productivity growth, intensified international competition, and political shocks at home and abroad. The economic model that had delivered steady gains for both firms and workers began to look unstable, and business elites increasingly questioned the constraints imposed by unions, regulation, and the tax state.

This period did not immediately dismantle organized labor, but it marked a turning point in the expectations and strategies of key actors. Corporate leaders, facing profit squeezes and volatile markets, experimented with new ways to cut costs and regain control over production. Policymakers, confronting stagflation and fiscal pressure, became more receptive to arguments that unions and social programs were part of the problem rather than the solution. Intellectual currents that had previously been marginal, such as strong versions of market fundamentalism and shareholder primacy, moved toward the center of policy debate.

The 1970s thus function as a hinge decade. On one side lies the high-water mark of organized labor's institutionalization; on the other lies the emerging landscape of neoliberal restructuring, financialization, and globalized production. The early cracks in the postwar order appeared first as economic anomalies and business complaints, but they soon hardened into a new common sense about what firms owed workers, what the state owed citizens, and who should bear the risks of economic change.

### 3.1 Stagflation, productivity slowdown, and changing corporate strategies

One of the most destabilizing features of the 1970s was the combination of high inflation with sluggish growth and rising unemployment, a pattern soon labeled stagflation. The standard postwar toolkit for macroeconomic management had assumed a relatively stable trade-off between inflation and unemployment, making it possible to tune policy toward full employment without unleashing runaway prices. When both inflation and unemployment rose together, that framework faltered.

At the same time, the long postwar productivity boom began to slow. For firms that had grown accustomed to sharing productivity gains with workers through higher wages and better benefits, this created a new tension. With less “extra” output to distribute, wage demands that had once seemed manageable now appeared as a direct threat to profit margins. The bargaining model in which unions claimed a share of rising productivity suddenly looked less sustainable to corporate managers and shareholders.

Faced with these pressures, corporations began to experiment with strategies that would become more prominent in later decades. They sought more aggressive cost control, resisted wage increases, and turned to automation and work reorganization to boost efficiency. Some firms adopted a harder line in contract negotiations, willing to risk strikes and plant disruptions rather than accept old patterns of settlement. Others started to look beyond their existing locations for lower-cost production sites, either within the United States or, increasingly, abroad. Even where these changes were incremental, they signaled a shift in the corporate calculus: instead of accommodating unions as part of a predictable cost structure, many firms began to see them as impediments to flexibility and competitiveness.

**3.2 Deindustrialization and the erosion of the industrial union base**

The economic turbulence of the 1970s coincided with a structural shift in the composition of the US economy. Manufacturing, particularly in heavy industry, began to contract in key regions that had long been union strongholds. Plants that had anchored communities in the Midwest and Northeast faced competition from more efficient facilities abroad and from newer factories in lower-wage regions of the United States. When demand slackened or profits fell, closures and relocations became increasingly common.

This process, often labeled deindustrialization, struck at the heart of the industrial union model. These unions had built their power on concentrated workforces in large plants, where organizing could spread rapidly and collective bargaining covered thousands of workers at once. As plants shut down or shifted production to less unionized regions, the very terrain on which unions operated fragmented. Workers who lost unionized jobs often moved into service-sector employment that was more dispersed, more precarious, and harder to organize.

At a community level, deindustrialization eroded the social ecosystem that had supported union strength. Local union halls, neighborhood organizations, and networks of solidaristic culture were undermined by job loss and outmigration. Municipal tax bases shrank, public services deteriorated, and political resentment grew. In some areas, unions were blamed for pushing wages “too high” and driving firms away; in others, they were seen as insufficiently powerful to protect their members from a harsh global economy. Either way, the aura of inevitability that had once surrounded industrial unionism dissipated.

As industrial jobs vanished, employment growth increasingly occurred in sectors where union penetration had historically been weaker: retail, hospitality, finance, and various professional services. The union movement faced the challenge of reinventing itself for this new landscape, but internal divisions, resource constraints, and institutional inertia made rapid adaptation difficult. The erosion of the industrial union base in the 1970s thus set in motion dynamics that would sharply reduce overall union density in subsequent decades.

### 3.3 Ideological shifts: from class compromise to shareholder primacy

Economic strains alone do not explain the turning point of the 1970s; they interacted with a notable shift in the dominant ideas about how firms, markets, and governments should operate. During the high postwar decades, the prevailing ideology among many policymakers and corporate leaders had emphasized class compromise, managed capitalism, and a mixed economy. Unions, while sometimes seen as troublesome, were generally accepted as part of a system in which rising wages supported mass consumption, which in turn sustained profits.

By the 1970s, alternative visions gained ground. Influential economists and business thinkers argued that corporations should be managed primarily, if not exclusively, in the interests of their shareholders. Legal doctrines and business school teachings reinforced the notion that the fiduciary duty of corporate managers was to maximize shareholder value, not to balance the interests of multiple stakeholders. Unions, in this view, appeared less as legitimate partners in a social compact and more as claimants on value that rightfully belonged to owners.

This ideological shift was reinforced by a broader critique of the postwar state. Critics argued that high taxes, extensive regulation, and strong unions had created a sclerotic economy unable to respond flexibly to change. Inflation was often attributed to excessive wage demands and government deficits, rather than to factors like energy shocks or global imbalances. The language of efficiency, competitiveness, and market discipline became more prominent, while older discourses of social solidarity and shared prosperity lost some of their persuasive power.

In political culture, the figure of the taxpayer increasingly displaced that of the worker as the central character in policy debates. Appeals to “middle-class taxpayers” framed unions and social programs as special interests benefiting at the expense of the broader public. This reframing made it easier to justify attacks on labor protections and collective bargaining as necessary corrections rather than assaults on democratic participation in the economy. The erosion of ideological support for class compromise thus prepared the ground for more aggressive restructuring in the decades that followed.

### 3.4 Legal and regulatory environments at the cusp of change

The 1970s also saw important developments in the legal and regulatory environment that would shape the trajectory of labor and capital. On one front, a series of court decisions and

administrative changes began to weaken the enforcement of labor rights. The process of union certification became more contested, employer anti-union campaigns more sophisticated, and penalties for labor law violations relatively modest. While the basic framework of collective bargaining remained on the books, its practical effectiveness declined as employers learned to exploit loopholes and delays.

On another front, emerging debates about regulation and corporate governance signaled a coming shift in how state power would be deployed. Business groups mobilized more actively to influence policy, forming new organizations and think tanks that argued for deregulation, tax cuts, and a more business-friendly climate. Antitrust enforcement grew less aggressive in key sectors, reflecting a growing acceptance of large corporate concentrations as efficient rather than inherently suspect. The intellectual influence of legal and economic schools that favored minimal government intervention paved the way for later waves of deregulation in finance, transportation, and other industries.

Campaign finance rules and judicial interpretations also began to reshape the political playing field. Decisions that equated money with speech expanded the scope for wealthy individuals and organized interests to fund political campaigns and advocacy. While unions also participated in this arena, the relative resources of capital and labor were increasingly imbalanced. The legal infrastructure of political influence thus shifted subtly but significantly in favor of those with substantial financial means.

Taken together, these legal and regulatory developments did not yet dismantle the New Deal order, but they signaled its fragility. The institutions that had anchored union power remained formally in place, yet their foundations were being undermined by changed enforcement, new doctrines, and shifting priorities. When the political winds turned more sharply toward deregulation and anti-union policies in the 1980s, the groundwork had already been laid in the crises and adjustments of the 1970s.

**4. The Neoliberal Turn and the Anti-Union Offensive (1980s–1990s)**

If the 1970s marked the cracking of the postwar compromise, the 1980s and 1990s saw a more deliberate project of restructuring. In these decades, key governments embraced policies now grouped under the label neoliberalism: deregulation, privatization, tax cuts, and an explicit prioritization of markets over collective provision. In the United States, this turn coincided with a direct political and corporate offensive against organized labor. The institutions that had once anchored union power were not formally abolished, but they were hollowed out through policy choices, legal interpretations, and strategic employer behavior.

This was also the period in which the architecture of global trade and finance was remade. New agreements and institutions made it easier for capital to move across borders, for firms to reorganize production globally, and for investors to demand higher returns. In that context, unions were increasingly framed as rigidities in need of removal rather than partners in shared prosperity. The shift did not occur overnight, and pockets of strong unionism persisted, especially in the public sector, but the overall trajectory was clear: organized labor was on the defensive, while the structural power of capital, particularly mobile and financial capital, expanded.

### 4.1 Reagan, PATCO, and the normalization of union-busting

One symbolic and practical watershed was the confrontation between the Reagan administration and the Professional Air Traffic Controllers Organization (PATCO) in 1981. When controllers went on strike in violation of federal law, the administration chose not to negotiate a settlement but to fire thousands of workers and permanently replace them. This move sent a powerful signal. It demonstrated a willingness at the highest levels of government to confront a union head-on and to break it, rather than to treat it as a legitimate bargaining partner.

The PATCO episode resonated far beyond the specific dispute. Private-sector employers watched closely and drew lessons about the new tolerance for aggressive anti-union tactics. The idea that permanent replacement of striking workers was politically acceptable, and that public opinion would not necessarily punish such moves, emboldened management in other industries. Legal strategies that had once been considered too risky or confrontational were now more widely adopted.

At the same time, the administration staffed key regulatory agencies with officials sympathetic to business concerns and skeptical of labor claims. Enforcement of labor law became less vigorous, and employers increasingly engaged in practices such as captive-audience meetings, delay tactics in union elections, and sophisticated anti-union consulting. While the formal rights of workers to organize remained on the books, the balance of power in the workplace and in the legal system shifted. The normalization of union-busting as a business strategy, and the absence of strong political pushback, marked a qualitative change from earlier decades.

### 4.2 Deregulation, trade liberalization, and capital mobility

The assault on unions during the 1980s and 1990s occurred alongside a broad project of deregulation and trade liberalization. Industries such as airlines, trucking, telecommunications, and finance saw regulatory barriers dismantled or loosened. The stated goals were increased competition, lower prices, and greater innovation, but the effects also included intensified pressure on wages, job security, and working conditions. Firms in deregulated sectors sought

new ways to cut costs, often by restructuring labor relations, outsourcing, or undermining existing union agreements.

On the international front, a series of trade agreements and institutional changes facilitated the integration of global markets. Tariffs were reduced, capital controls were loosened, and organizations promoting free trade gained influence. For corporations, this opened up new sourcing options: production could be shifted to countries with lower wages, weaker labor protections, and more accommodating regulatory regimes. The credible threat of relocation became a potent tool in negotiations with unions, even when moves did not actually occur.

Capital mobility thus became a central mechanism of structural power. Workers in high-wage, formerly secure jobs now faced the possibility that their employers could walk away if labor costs or regulations were deemed too burdensome. Unions that had once counted on the immobility of plants and infrastructure found themselves bargaining under the shadow of global supply chains. While some unions attempted to respond with cross-border solidarity and international campaigns, the institutional tools at their disposal were limited compared to those of multinational firms and global investors.

The logic of trade liberalization also reshaped political discourse. Opposition to plant closures or offshoring was frequently portrayed as parochial or protectionist, while support for liberalization was cast as forward-looking and modern. In that rhetoric, unions were at risk of being painted as defenders of an obsolete order, resisting inevitable globalization. This ideological framing reinforced the material disadvantages unions faced in an environment where capital could move more freely than labor.

**4.3 Right-to-work expansion and the weakening of collective bargaining**

Domestically, another key front in the anti-union offensive was the expansion and enforcement of right-to-work laws. These laws prohibit union security agreements that require all workers in a bargaining unit to pay dues or fees to the union representing them, even if they choose not to join. The practical effect is to create a free-rider problem: workers can benefit from union-negotiated contracts without contributing to the costs of organizing and bargaining.

Right-to-work statutes had existed in some states since the mid-twentieth century, but in the late twentieth century they became a more central part of the strategy to weaken labor. Business lobbies and conservative political organizations supported their spread, often framing them in terms of individual freedom and worker choice. Campaigns for such laws typically avoided direct attacks on unions, instead emphasizing the rhetoric of voluntary association and economic growth.

Where right-to-work regimes were implemented or strengthened, union density and resources tended to fall over time. With reduced financial capacity, unions found it harder to maintain

organizing drives, defend existing contracts, or mount strong political campaigns. Even where unions survived, their bargaining leverage was diminished by the perception that they represented a shrinking portion of the workforce and by the constant drain of having to recruit and retain members in an environment of built-in nonpayment incentives.

The weakening of collective bargaining was not limited to right-to-work states. In many sectors, employers pushed for concessions, two-tier contracts, and the outsourcing of previously unionized work. Newly hired workers were sometimes brought in under inferior terms, eroding solidarity within bargaining units. In some cases, firms declared bankruptcy or restructured in ways that allowed them to shed union obligations. Legal doctrines and judicial decisions often facilitated these maneuvers, prioritizing the preservation of firms as going concerns over the protection of collectively bargained arrangements.

**4.4 From social partnership to labor containment: changing employer tactics**

Taken together, these developments reflect a fundamental shift in how many employers understood and approached organized labor. In the high postwar decades, significant segments of the business community had accepted unions as the price of social stability and predictable labor relations. While conflicts were real and sometimes intense, there was a widely shared assumption that unions would remain part of the landscape and that a degree of social partnership was necessary to maintain legitimacy and avoid disruptive unrest.

By the 1980s and 1990s, that assumption eroded. A new generation of managers, consultants, and investors increasingly saw unions not as partners but as obstacles. The language of social responsibility gave way to a harder emphasis on competitiveness, efficiency, and shareholder value. Employers invested in sophisticated union-avoidance strategies, including human resources practices designed to dissuade organizing, legal strategies to challenge union elections, and the use of temporary or subcontracted labor to circumvent bargaining units.

This shift was reinforced by financialization. As firms became more beholden to financial markets, quarterly earnings, and hostile takeover threats, managers faced strong incentives to minimize labor costs and avoid long-term contractual commitments. Unions, with their emphasis on stable wages and benefits, appeared to conflict with the flexibility demanded by financial stakeholders. In boardrooms and business schools, narratives that portrayed unions as inefficient, backward-looking, or corrupt found a receptive audience.

The result was a move from social partnership toward labor containment. Rather than seeking to integrate unions into governance structures, many firms sought to marginalize, weaken, or eliminate them. Where unions remained strong, employers often tried to confine their influence to narrow issues of wages and hours, excluding them from broader questions of strategy or

investment. In workplaces without unions, elaborate internal communication and grievance systems were promoted as substitutes, offering individual voice without collective power.

By the end of the 1990s, the cumulative impact of these employer tactics, combined with broader policy and economic shifts, had transformed the terrain of labor relations. Union density in the private sector had fallen to levels that would have been unthinkable a few decades earlier, and the balance of structural power had tilted further toward capital, particularly toward its most mobile and financially concentrated forms. This created the conditions in which a small, increasingly wealthy elite could play a larger role not only in the economy but in the political system itself.

## 5. Financialization, Globalization, and the Hollowing Out of Worker Power

By the late twentieth century, the institutional weakening of unions was reinforced by two mutually reinforcing transformations: the financialization of the firm and the globalization of production. Financialization reordered the internal hierarchy of corporations so that financial markets, rather than long-term production strategies or stable employment relations, became the primary reference point for decision-making. Globalization, in turn, gave firms a vastly expanded menu of sourcing and location options, making it easier to arbitrage labor standards and wages across borders.

Together, these trends hollowed out worker power in several ways. They reduced the leverage that workers in any one location could exert, fragmented previously unified workforces into complex supply chains, undermined sector-wide wage-setting institutions, and reshaped cultural narratives about unions and collective action. In this environment, the structural power of organized labor diminished, while the structural power of capital—especially in its financial and transnational forms—grew more concentrated and less accountable.

### 5.1 Financial markets as the new command center of the firm

Financialization can be understood as a shift in the center of gravity of the firm from production and long-term employment relationships to financial performance and shareholder returns. In earlier decades, large corporations often saw themselves as multi-stakeholder institutions. While profits were always important, managers also paid attention to stability, market share, technological capability, and relations with their workforce. Union contracts, pension obligations, and internal labor markets were treated as relatively fixed commitments within which firms planned.

Under financialization, this logic changed. The rise of institutional investors, the growth of stock-based executive compensation, and the increasing role of financial metrics in evaluating

corporate performance made shareholder value the overriding priority. Managers were judged, and rewarded, based largely on their ability to raise stock prices and deliver high returns in relatively short timeframes. Activities that pleased financial markets—cost cutting, downsizing, restructuring, stock buybacks—took precedence over those that might sustain stable employment or long-term skill development.

In this new command structure, unions appeared less as partners in governance and more as liabilities on the balance sheet. Collective agreements that guaranteed wages, benefits, and job security conflicted with the desire for flexibility and rapid adjustment. Pension promises made in earlier eras were recast as burdensome "legacy costs" to be shed through restructuring or bankruptcy. Financial actors, including private equity firms, often explicitly built their business models around acquiring companies, reducing labor costs, and extracting value through leveraged transactions.

The shift in power from shop floor to trading floor had subtle but pervasive effects. Even in firms without direct financial ownership pressures, the norms of financialized management spread through business schools, consulting firms, and professional networks. Decisions about plant closures, outsourcing, and automation were increasingly justified not in terms of long-term industrial strategy but as necessary responses to the demands of markets and investors. This reorientation narrowed the space for unions to argue that maintaining jobs and communities was part of the firm's legitimate purpose.

**5.2 Offshoring, supply chains, and the fragmentation of labor forces**

Globalization amplified the effects of financialization by dramatically broadening the geographic scope of corporate decision-making. Advances in transportation, communication, and trade liberalization allowed firms to break up production processes and distribute them across multiple countries. Components could be manufactured in one place, assembled in another, and marketed globally. This reorganization of production into complex supply chains created new opportunities for cost reduction and regulatory arbitrage.

For workers, however, it meant that the employer's credible exit option expanded from moving a plant to another region to moving entire functions offshore. Jobs that had once seemed secure because of their connection to heavy machinery or specialized facilities could now be relocated to lower-wage countries with relative ease. Even the threat of offshoring became a powerful bargaining tool. In contract negotiations, unions were confronted with scenarios in which refusal to accept concessions was framed as risking the loss of the entire operation to another jurisdiction.

The fragmentation of labor forces across multiple firms and countries also weakened traditional forms of worker solidarity. Instead of a single, integrated workforce under one employer,

production often relied on layers of subcontractors, temporary agencies, and independent contractors. Each node in the supply chain could be played against the others, with cost pressures transmitted downward. Workers in core firms might retain some protections, but those in subcontracted or offshore facilities often faced far weaker rights and lower wages.

Organizing across such dispersed networks posed enormous challenges. Legal frameworks for union recognition and bargaining were typically national, while corporate structures and supply chains were transnational. Attempts at cross-border solidarity campaigns encountered differences in law, language, and political context. Even within a single country, workers in logistics, warehousing, and retail might be employed by different entities than those who technically owned the brand, complicating efforts to hold corporations accountable for labor conditions throughout their operations.

The net effect was to dilute the bargaining power of any one group of workers. Where industrial unions had once negotiated with firms that were structurally tied to specific communities and assets, they now faced organizations whose production footprint could be adjusted in response to resistance. This did not make worker power impossible, but it raised the costs and complexity of collective action at the very moment when unions were already weakened by domestic policy and ideological shifts.

**5.3 The decline of sectoral bargaining and standardized wage-setting**

Another important dimension of the hollowing out of worker power was the erosion of institutions that had once coordinated wages and working conditions across entire sectors. In the mid-twentieth century, unions in key industries negotiated contracts that set pattern wages, which other firms in the sector often felt compelled to match. This created a degree of standardization and predictability in labor costs and helped prevent a race to the bottom within national markets.

As union density declined and firms gained more leverage, these sectoral arrangements broke down. In many industries, bargaining shifted from industry-wide or large multi-employer agreements to firm-level or even plant-level negotiations. Without strong coordinating mechanisms, competitive pressures drove individual employers to seek concessions to undercut rivals. Over time, standardized wage structures gave way to more differentiated pay scales, individualized bonuses, and performance-based compensation schemes that weakened collective norms.

The decline of sectoral bargaining also undermined the broader wage-setting role unions had played in the economy. When contracts in flagship industries no longer served as benchmarks, the spillover effects on non-union wages diminished. Employers in non-union firms had less reason to match union standards, and the overall wage floor sagged. This contributed to wage

stagnation and rising inequality, particularly for workers without college degrees who had previously benefited from the compressing effects of strong collective bargaining institutions.

In addition, new forms of employment blurred the boundaries of who counted as a worker for bargaining purposes. The growth of temporary, part-time, and gig work allowed employers to circumvent traditional labor law categories. Workers classified as independent contractors were often excluded from union representation and labor protections, even when their economic dependence resembled that of employees. This further fragmented the workforce and complicated efforts to reestablish coordinated bargaining at any meaningful scale.

The weakening of sector-wide standards had a psychological dimension as well. When wages and conditions are set collectively, workers can see their situation as part of a shared structure, subject to negotiation and contestation. When they are set case by case, with wide disparities between individuals and workplaces, it becomes harder to perceive structural patterns and easier for employers to frame outcomes as purely personal or merit-based. This shift in perception reinforced the material erosion of collective power.

**5.4 The cultural de-legitimization of unions in media and politics**

Economic and institutional changes were accompanied by a cultural project that de-legitimized unions in the public imagination. In earlier decades, unions had been portrayed, even by critics, as inevitable fixtures of industrial society—sometimes unruly, sometimes corrupt, but fundamentally rooted in the realities of mass production. By the late twentieth century, many media and political narratives framed unions as relics of a bygone era, out of step with a dynamic, flexible, and entrepreneurial economy.

Popular culture increasingly associated unions with negative stereotypes: obstructionism, special pleading, or narrow self-interest. High-profile stories about corruption in particular locals or failures in public services were generalized to paint unions as a whole as problematic. At the same time, corporate leaders and business organizations cultivated an image of innovation and efficiency, emphasizing their role in driving technological progress and consumer choice. The structural power imbalance between capital and labor receded from view behind a language of individual opportunity and market freedom.

Political discourse mirrored these cultural shifts. References to “union bosses” and “big labor” framed unions as powerful interest groups rather than as democratic organizations of workers. Policies that weakened unions were presented not as attacks on worker voice but as reforms to promote competitiveness, fiscal responsibility, or taxpayer fairness. In some cases, unions were cast as enemies of the very workers they represented, accused of protecting lazy employees or driving jobs away through unreasonable demands.

At the same time, alternative narratives of worker power found little space in mainstream media. Stories of successful organizing efforts or the everyday benefits of union contracts were comparatively rare. The association between unions and earlier industrial landscapes made them seem irrelevant to younger workers entering service, tech, or gig sectors. Where unions attempted to adapt to new conditions, their efforts were often overshadowed by the broader discourse that cast individual negotiation, personal branding, and entrepreneurial hustle as the preferred routes to advancement.

This cultural de-legitimization did not cause the decline of unions by itself, but it reinforced and normalized the material trends. Workers considering organizing faced not only practical obstacles but also a social environment in which unions were portrayed as outdated or suspect. Politicians contemplating pro-labor reforms had to weigh the risk of being seen as beholden to a discredited constituency. Meanwhile, the growing visibility and philanthropy of billionaires allowed them to occupy the symbolic terrain once associated with collective social progress, presenting elite-driven initiatives as the primary source of public problem-solving.

In combination, financialization, globalization, the erosion of sectoral bargaining, and the cultural de-legitimization of unions remade the landscape of worker power. The institutions that had once allowed organized labor to act as a structural counterweight to capital were weakened or dismantled, while the material and symbolic resources of a small, wealthy elite expanded. It is within this transformed terrain that the rise of billionaire-centered oligarchic power must be understood.

**6. The Rise of the Billionaire Class and New Forms of Oligarchy**

As organized labor retreated and firms reoriented themselves around financial markets and global supply chains, a striking concentration of wealth accumulated at the very top of the income and asset distribution. While wealthy elites had always existed in the United States, the late twentieth and early twenty-first centuries saw the emergence of a distinct billionaire class whose scale of resources and modes of influence differed in important ways from previous eras. This group did not merely sit atop existing structures; it played an active role in reshaping markets, politics, and public discourse.

The rise of this billionaire class must be understood as both a consequence and a driver of the broader transformations described earlier. Policies that weakened unions, lowered top tax rates, deregulated finance, and liberalized trade created conditions favorable to capital accumulation at the very top. In turn, the individuals and firms that benefited most from these changes gained the capacity to further entrench and extend them. The result is a feedback loop in which

wealth and influence reinforce one another, altering the balance of structural power in ways that reach far beyond any single policy or election.

### 6.1 The post-1980 explosion of top-end wealth

Starting in the 1980s, the distribution of income and wealth in the United States began to diverge sharply from the relatively compressed pattern of the mid-twentieth century. Top marginal tax rates were reduced, capital gains were treated favorably, and regulatory shifts opened new avenues for profit-making in finance and other sectors. At the same time, the weakening of unions and the erosion of sectoral bargaining removed some of the institutional brakes on inequality at the bottom and middle.

In this context, the incomes of top executives, financiers, and successful entrepreneurs grew at rates far exceeding those of typical workers. Stock-based compensation tied executive rewards to share prices, which were in turn boosted by strategies such as cost cutting, outsourcing, and financial engineering. Asset markets, including real estate and equities, delivered large gains to those who already held significant wealth, amplifying initial differences over time.

The emergence and proliferation of billionaires is one visible manifestation of this process. While there had been extremely wealthy individuals in earlier decades, the sheer number of people with wealth measured in billions, and the scale of their fortunes relative to average incomes and public budgets, became qualitatively different. Wealth at this level confers the ability to make decisions that affect entire industries, cities, or policy domains without the need for collective consent or public authorization.

This explosion of top-end wealth did not occur in a vacuum. It was intertwined with changes in corporate governance, tax policy, and global economic integration. But once established, the billionaire class acquired its own momentum and logic. Large fortunes, if managed effectively, generate additional returns simply by virtue of their size, through access to exclusive investment vehicles, preferred credit, and privileged information. Over time, this dynamic created a small stratum of individuals whose economic position made them functionally similar to oligarchs in other contexts, even if they operated within a formally democratic system.

### 6.2 Tech, finance, and the making of a new elite cohort

Two sectors were especially important in generating this new elite cohort: finance and technology. Finance, broadly construed to include banking, hedge funds, private equity, and related activities, benefited enormously from deregulation and innovation in instruments and markets. The ability to profit from complex trades, leveraged buyouts, and global capital flows created opportunities for outsized gains disconnected from traditional notions of producing goods or providing services in the conventional sense.

Technology, particularly information and communication technologies, produced another wave of wealth concentration. The development of personal computing, the internet, and later digital platforms enabled entrepreneurs to build firms with network effects, global reach, and relatively low marginal costs. Successful tech companies could scale rapidly, capturing dominant positions in markets and yielding equity valuations that translated into vast personal fortunes for founders and early investors.

These sectors shared certain characteristics that distinguished their elites from earlier industrial magnates. They were often younger, more closely identified with innovation and disruption, and willing to present themselves as meritocratic success stories rather than inheritors of established dynasties. Their companies frequently organized work in ways that blurred the line between employer and platform, intensifying the fragmentation of labor and complicating traditional organizing strategies.

At the same time, finance and tech elites were tightly integrated into one another's worlds. Tech firms depended on financial markets for capital and exit opportunities, while financial actors invested heavily in technological ventures. Executive boards, advisory councils, and social networks linked key figures across sectors. The resulting milieu fostered a shared outlook that combined an embrace of market solutions with a belief in the transformative power of technology and financial innovation.

This cohort's rise did not replace all older forms of wealth, but it redefined what elite status looked like and how it operated. The imagery of the suited industrialist overseeing factories gave way to that of the venture-backed founder or the hedge fund manager monitoring screens. In both cases, however, the underlying reality was a concentration of control over resources and infrastructure that profoundly affected the prospects and bargaining power of workers across the economy.

### 6.3 From industrial magnates to financial and digital oligarchs

The term oligarch evokes historical images of tycoons who control key sectors of an economy and wield disproportionate political influence. In the contemporary United States, the locus of such control has shifted from heavy industry to finance and digital infrastructure. Where earlier industrial magnates commanded railways, steel mills, or oil fields, many of today's oligarchic figures command flows of information, capital, and data.

Financial oligarchs exert influence through ownership stakes, credit lines, and investment decisions that can make or break firms, sectors, or localities. Their capacity to allocate funds shapes which projects are pursued, which technologies are developed, and which regions see growth. Because financial markets operate at high speed and across borders, these decisions

can be made and adjusted with little direct input from workers or communities affected by them.

Digital oligarchs, meanwhile, control platforms that mediate communication, commerce, and social interaction. Social networks, search engines, cloud services, and e-commerce platforms function as infrastructure for large portions of daily life. The owners and top executives of these firms influence not only markets but also the circulation of information and the terms on which other actors can participate in economic and cultural activity. Their decisions about algorithms, content moderation, and data use have wide-reaching implications for public discourse and privacy.

In both cases, the power exercised is often indirect and structural. Financial elites do not need to issue explicit commands to shape firm behavior; the expectation of market reactions and investor preferences guides managerial choices. Platform owners do not need to dictate individual expressions; their design of digital architectures and incentive structures channels patterns of use. This form of power is consistent with formal legal equality, yet it creates de facto hierarchies in which certain actors' preferences count far more than others.

The shift from industrial to financial and digital oligarchy has also altered the visibility of power. Factories and physical infrastructure made elite control tangible in ways that could be directly contested through strikes or occupations. Financial flows and digital architectures are more abstract, less localized, and harder to disrupt through traditional forms of worker resistance. This opacity complicates public understanding of where decisions are really made and who might be held accountable for their consequences.

**6.4 Billionaires as a class: shared interests, networks, and infrastructures**

While billionaires differ in ideology, sector, and personal style, they increasingly function as a class with shared interests and common infrastructures. Their wealth gives them access to exclusive spaces—private conferences, foundations, advisory councils—where they can coordinate, socialize, and develop a sense of themselves as a distinct group. These spaces, in turn, help align their perspectives on key issues, even when they do not agree on every detail.

One axis of shared interest is the preservation of a policy environment conducive to capital accumulation at the top. This does not mean uniform opposition to all regulation or taxation, but it often entails resistance to measures that would significantly redistribute wealth or reinstate strong collective bargaining. Through campaign contributions, lobbying, and philanthropy, billionaires can support candidates, think tanks, and advocacy organizations that promote their preferred policy mix: low or moderate taxes on capital, flexible labor markets, and regulatory frameworks that do not materially constrain their business models.

Another axis is the construction of infrastructures of influence that outlast individual fortunes. Foundations, endowed chairs at universities, research institutes, and media ventures allow billionaires to shape agendas and narratives for decades. These institutions often present themselves as neutral or public-spirited, addressing issues such as education, health, or the environment. Yet their priorities and framings tend to align with the preferences and worldviews of their funders, subtly steering debates and policy options.

Networks among billionaires also facilitate collective responses to crises. When regulations are proposed that might significantly alter their operating environment, coordinated campaigns can be mounted to shape public opinion or legislative outcomes. Conversely, when reputational risks arise—through scandals, protests, or critiques—peer networks and shared public relations infrastructures can help manage damage and restore legitimacy. This does not eliminate conflicts within the class, but it provides mechanisms for managing them and for defending core interests.

Importantly, the class formation of billionaires has implications for workers and unions. As power concentrates in this small group, channels for ordinary citizens to influence major decisions shrink, especially when intermediating institutions such as unions have been weakened. Appeals to corporate social responsibility or philanthropic generosity may yield specific benefits, but they reinforce a model in which the well-being of many depends on the choices of a few. The structural counterweight that unions once provided is replaced, in this configuration, by a combination of technocratic governance and elite discretion.

In sum, the rise of the billionaire class and new forms of oligarchy is not simply a story about rich individuals. It is a structural transformation in how economic and political power is organized and exercised. Financialization and digitalization have created new channels through which wealth can be accumulated and deployed, while the erosion of collective worker institutions has left fewer organized forces to contest or balance that power. The result is an order in which a small, interconnected elite occupies much of the space once shared, however imperfectly, with mass organizations of labor.

## 7. Mechanisms of Oligarchic Power in a Post-Union Era

As unions receded as mass, dues-funded organizations with their own political and cultural infrastructure, the field of power did not remain empty. It was increasingly filled by mechanisms that allow a relatively small number of wealthy individuals and large firms to shape public life at multiple levels. These mechanisms are formally legal and often presented as expressions of free speech, expertise, or generosity. Yet taken together, they amount to a dense architecture

through which oligarchic actors can set agendas, veto threats to their interests, and define what counts as realistic or responsible policy.

Unlike unions, which base their influence on organized numbers and recurring membership engagement, oligarchic mechanisms rely on concentrated resources and professionalized intermediaries: consultants, lobbyists, lawyers, media strategists, and policy experts. Money moves through institutions that blur the lines between public and private, civic and commercial, research and advocacy. The result is a system in which structural power is exercised less through overt commands and more through shaping the context in which decisions are made and perceived.

**7.1 Campaign finance, Super PACs, and dark money**

One of the most visible channels of oligarchic power is the electoral system itself. As legal and judicial decisions expanded the scope for private money in politics, wealthy individuals and corporations gained enhanced capacity to influence who runs for office, which races are competitive, and what kinds of messages reach voters. Direct contributions to candidates are only the most basic mechanism; more consequential are the vast sums that flow through party committees, political action committees, Super PACs, and nonprofit entities that can spend on elections without the same disclosure requirements.

Super PACs, in particular, allow unlimited contributions for independent expenditures, so long as they are not formally coordinated with campaigns. In practice, the distinction between coordination and alignment can be thin. A small number of donors can bankroll advertising blitzes that drown out other voices, define opponents negatively, or promote particular issues as litmus tests. Even when such spending does not guarantee electoral victory, it shapes the strategic calculations of candidates, who must consider how their positions will affect access to major funders.

Dark money adds another layer. Through certain nonprofit vehicles, funds can be channeled into political advocacy without disclosing the ultimate sources. This opacity makes it difficult for the public to assess whose interests are being represented, while still allowing donors to exert influence. The knowledge within political circles that such money is available, and that it can be deployed quickly in key races, generates an anticipatory deference to the preferences of potential benefactors.

In a political environment where unions once served as a counterweight, funding campaigns through small contributions and member mobilization, the decline of labor has left the terrain more skewed. Candidates and parties increasingly rely on large donors and outside spending to remain viable, especially in expensive media markets. This dependency does not mean that

money always buys specific votes, but it biases the agenda toward issues and framings that do not fundamentally threaten the interests of those capable of major financial intervention.

### 7.2 Lobbying, revolving doors, and regulatory capture

Beyond elections lies the domain of policy formation and implementation, where lobbying and the revolving door between public office and private sector positions play central roles. Lobbying has grown into a sophisticated industry staffed by former legislators, regulators, and aides who possess detailed knowledge of procedures and personal connections within government. For large corporations and wealthy individuals, hiring such intermediaries is a routine cost of doing business.

Lobbyists do more than advocate for or against specific bills. They help draft legislation, propose regulatory language, and provide technical expertise that overburdened public agencies may rely on. They organize coalitions of firms, trade associations, and sometimes selected civil society partners to present a unified front on key issues. The cumulative effect is that policy debates often take place within parameters set by the actors with the most resources to participate continuously and at scale.

The revolving door deepens this influence. Officials who regulate an industry may later receive lucrative positions within that same industry, creating at least the perception of future reward for favorable decisions. Conversely, executives and lawyers from regulated sectors rotate into government posts, bringing with them assumptions and priorities shaped by their previous roles. While many individuals act in good faith, the overall pattern fosters what is often called regulatory capture: agencies and legislative committees more attuned to the needs of the entities they oversee than to the diffuse interests of the broader public.

For workers and unions, the asymmetry is stark. Declining membership and resources limit their ability to maintain a continuous presence in the corridors of power. Where they once staffed policy departments and participated in advisory bodies, their voice is now more intermittent and issue-specific. In contrast, corporate and billionaire-backed lobbying operations operate year-round, monitoring developments, cultivating relationships, and intervening early in the policy cycle. Over time, this structural imbalance embeds oligarchic preferences in the technical details of statutes and regulations that rarely attract sustained public scrutiny.

### 7.3 Media ownership, platforms, and the shaping of public narratives

Control over information flows is another key mechanism through which oligarchic power is exercised. Traditional media outlets, such as newspapers and television networks, have long been owned or influenced by wealthy families and corporate conglomerates. Their editorial stances, coverage priorities, and decisions about which stories to amplify or ignore shape public understanding of economic and political issues. While journalistic norms and professional ethics

impose some constraints, ownership structures still matter, particularly when conflicts arise between reporting and the interests of advertisers or proprietors.

The rise of digital platforms has transformed, but not eliminated, these dynamics. Social media companies, search engines, and streaming services now function as gatekeepers for much of the content people encounter. Their business models, driven by advertising and data collection, reward engagement, often favoring emotionally charged or polarizing material. Algorithms that curate feeds and search results are designed and tuned by firms whose primary accountability is to shareholders, not to users as citizens.

Oligarchic actors can engage with this media and platform ecology in several ways. They can directly own outlets or acquire significant stakes in companies that shape information flows. They can sponsor content, fund think tank experts who appear as commentators, or support advocacy groups that run targeted campaigns. They can also leverage personal social media followings to speak directly to large audiences, bypassing traditional journalistic intermediaries.

Narratives about unions, taxation, regulation, and inequality are thus filtered through a landscape where oligarchic voices and their allies enjoy structural advantages. Stories that frame labor demands as threats to competitiveness, or that highlight instances of union misbehavior while downplaying structural abuses by firms, find fertile ground. Conversely, perspectives that challenge concentrated wealth or call for robust collective action may struggle to secure sustained, sympathetic coverage. The goal is not a centrally coordinated propaganda machine but a fragmented ecosystem whose incentives align more readily with elite interests than with those of organized workers.

**7.4 Philanthrocapitalism: foundations, think tanks, and agenda-setting**

A subtler but highly consequential mechanism of oligarchic power is philanthrocapitalism: the use of private wealth, channeled through foundations, donor-advised funds, and charitable organizations, to shape public agendas. Large-scale philanthropy has a long history, but the scale and style of contemporary giving have distinctive features. Many billionaires present themselves as social entrepreneurs, using business acumen and targeted investments to solve public problems. Their initiatives often operate parallel to, or in place of, public institutions.

Foundations and endowed programs fund research, pilot projects, advocacy campaigns, and educational reforms. They choose which issues merit attention and which approaches are considered innovative or scalable. Universities, nonprofits, and policy institutes frequently depend on such funding, which can subtly steer their priorities. Even when grants come with no explicit conditions, recipients may anticipate funders' preferences and self-censor or frame proposals accordingly.

Think tanks play a particularly important role in translating philanthropic priorities into policy ideas. By producing reports, hosting conferences, and providing experts for media and legislative hearings, they act as knowledge brokers between oligarchic donors and the policy process. Some are transparently aligned with particular ideological orientations; others present themselves as nonpartisan or pragmatic. In either case, their capacity to set the terms of debate often exceeds that of underfunded labor-oriented or grassroots organizations.

Philanthrocapitalism also affects how the public imagines social change. When billionaires sponsor high-profile initiatives in education, climate, or global health, they can appear as benevolent problem-solvers, obscuring their role in structures that contribute to the very issues they address. Attention shifts from collective political solutions, such as strengthening unions or expanding public provision, toward technocratic fixes and private-public partnerships. The underlying distribution of power remains largely intact, even as specific harms are mitigated.

In a post-union era, philanthrocapitalism can partially replace the social functions unions once served, such as community building or support for cultural and educational projects, but without the same mechanisms of democratic accountability. Decisions about priorities and strategies rest with donors and their appointed boards, not with members who can vote leadership out or redirect dues. As a result, the moral and intellectual climates in which policies are made tilt toward solutions that preserve the legitimacy of concentrated wealth, even when they call for reforms at the margins.

Taken together, campaign finance, lobbying, media influence, and philanthrocapitalism constitute a dense web of mechanisms through which oligarchic actors exercise structural power. They do not eliminate electoral competition or public debate, but they condition both, shaping who has the resources to participate effectively and which visions of the future are considered plausible. In the absence of robust, mass-based countervailing organizations like unions, these mechanisms operate with fewer constraints, making the power of a small elite both more pervasive and more difficult to contest.

**8. Consequences for Inequality, Work, and Democracy**

The reconfiguration of power from mass organizations of workers toward a concentrated billionaire class has not been an abstract rearrangement of institutional diagrams. It has reshaped the lived realities of inequality, work, and democratic life. Where mid-century unions helped compress wage structures, stabilize employment, and give ordinary citizens channels of collective influence, the current order tends toward dispersion: widening income gaps, more precarious careers, and a political system in which many people feel that decisions are made elsewhere, by actors they cannot see or influence.

These changes are uneven. Some regions and sectors still retain significant pockets of union strength or forms of public employment that offer more security. Others live under a regime of contingent work, weak protections, and an unsteady mix of market dependence and thin safety nets. Across these differences, however, certain patterns emerge: wage stagnation amid rising productivity, increasingly polarized labor markets, policy agendas that favor capital income over labor income, and a gradual erosion of trust in democratic institutions. The question is no longer just whether unions have lost power, but what kind of society has emerged in their partial absence.

**8.1 Wage stagnation, precarity, and the new workplace hierarchy**

One of the most direct consequences of weakened worker power is the decoupling of productivity and wages for a large share of the workforce. As firms have become more responsive to financial markets and global competition, the gains from technological advances and efficiency improvements have been increasingly captured at the top, in the form of higher profits, executive compensation, and returns to capital. For many workers, real wages have grown slowly, if at all, especially in the lower and middle segments of the income distribution.

Precarity has become a defining feature of this new labor landscape. The spread of temporary contracts, part-time work, gig platforms, and just-in-time scheduling has shifted risks from employers to workers. Hours can fluctuate from week to week, benefits are often minimal or absent, and pathways to stable, long-term employment are harder to find. Even in firms that present themselves as innovative or socially responsible, the internal labor structure frequently relies on a core of well-compensated professionals and managers surrounded by layers of contingent or outsourced workers with far less security.

This configuration creates a new workplace hierarchy. At the top sit executives and key professionals whose earnings and autonomy are closely tied to corporate performance and financial metrics. Below them is a tier of white-collar staff and specialists who may enjoy some stability but are increasingly subject to performance monitoring and restructuring. Further down are service workers, logistics personnel, and platform-based laborers who bear the brunt of cost-cutting and flexibility demands. In such a hierarchy, individual negotiation replaces collective bargaining, making outcomes heavily dependent on personal bargaining power, credentials, and luck.

The erosion of union presence in many workplaces weakens the mechanisms through which workers can contest this hierarchy. Without a collective voice, grievances are handled through individualized channels that rarely alter structural conditions. The implicit message is that workers must adapt to insecurity as the new normal, seeking self-help strategies rather than demanding institutional change. Over time, this normalizes inequality as a consequence of

merit or effort rather than as a product of weakened collective power and strengthened oligarchic influence.

### 8.2 Regional and sectoral divergence: where unions vanished and where they survived

The decline of unions has been uneven across the country and across sectors, producing stark contrasts in economic outcomes and political orientations. In many former industrial regions of the Midwest and Northeast, deindustrialization and plant closures decimated union membership. Towns that once relied on unionized manufacturing saw wages fall, tax bases erode, and social infrastructure fray. Younger generations entered labor markets where union jobs were rare or nonexistent, altering the cultural memory of what collective power could achieve.

In contrast, certain sectors and regions retained stronger union presence. Public sector unions, including teachers, nurses, and government employees, remained significant in many states, though under increasing political pressure. Some trades and construction unions maintained influence through apprenticeship programs, project labor agreements, and ties to public infrastructure spending. In a few private industries, such as parts of transportation or utilities, collective bargaining survived as part of a regulated or legacy framework.

This divergence matters because it maps onto broader patterns of regional inequality and political polarization. Areas where unions vanished often experienced more rapid declines in wages and employment, making them vulnerable to narratives that blamed outsiders, immigrants, or distant elites for local decline. At the same time, the absence of strong labor institutions reduced the capacity for organized, class-based responses to these conditions. Political entrepreneurs could mobilize discontent along cultural or identity lines rather than through demands for renewed worker power.

Where unions survived, they sometimes anchored more egalitarian wage structures and supported political coalitions that defended social programs and labor protections. Yet these enclaves were not immune to broader trends. Public sector unions found themselves targeted by austerity measures and legal challenges. Remaining strongholds in regulated industries faced pressures from privatization and competition. Across the map, the patchwork nature of union presence meant that the structural counterweight labor once provided at the national level had been weakened, replaced by localized pockets of resilience amid widespread erosion.

### 8.3 Policy outcomes: taxation, welfare, and social insurance under oligarchic influence

The shift in power from unions to oligarchic actors has had clear implications for public policy. Tax systems in many periods have become less progressive, with reductions in top marginal rates, favorable treatment for capital gains and inheritance, and a proliferation of loopholes and deductions that benefit high-income individuals and corporations. Efforts to close these gaps or

introduce new wealth taxes have often faced intense resistance from organized business interests and wealthy donors.

Social welfare and insurance programs have also been shaped by this new balance of forces. Expansion of benefits has frequently been hesitant or partial, while retrenchment or conditionality has been more politically feasible. Debates about social spending are often framed in terms of fiscal responsibility and incentives, with less attention to the bargaining asymmetries that leave many workers dependent on thin safety nets for basic security. Where unions once advocated strongly for robust public provision as a complement to workplace protections, their weakened presence has left fewer organized voices consistently pushing for such policies.

At the same time, policy domains that directly affect capital, such as financial regulation, corporate governance, and trade agreements, have often reflected the preferences of oligarchic actors. Regulatory frameworks have tended to prioritize market fluidity and investor confidence, sometimes at the expense of labor protections or community stability. Intellectual property rules, for example, have been strengthened in ways that lock in rents for dominant firms, while enforcement of labor standards has been more uneven and under-resourced.

The net effect is a policy mix that reinforces inequality. Workers face greater insecurity and weaker bargaining positions, while the institutions designed to buffer market risks are constrained. Oligarchic actors, by contrast, benefit from tax regimes and regulatory environments that preserve and expand their wealth. This does not mean they always get everything they want, but it does mean that their interests are systematically overrepresented in the structures that allocate burdens and benefits across society.

**8.4 Democratic erosion: participation, trust, and the sense of collective agency**

Beyond economic indicators, the decline of unions and the rise of oligarchic power have affected the health of democracy itself. Unions have historically served not only as bargaining agents but also as schools of democracy, teaching members how to participate in meetings, elect representatives, and debate collective priorities. They provided a structured pathway for working-class citizens to engage with public life, develop leadership skills, and connect local grievances to broader political projects.

As union membership has declined, one of the major institutional pathways for such participation has narrowed. Many workers no longer have regular experience with democratic processes in their everyday organizational life. Instead, they encounter centralized corporate hierarchies at work and mediated, often polarized political discourse outside of it. Opportunities to act collectively, deliberate with peers, and see concrete results from joint action are fewer and more fragile.

This loss of collective agency intersects with the visible prominence of billionaires in public affairs. When wealthy individuals dominate campaign finance, own or influence major media platforms, and sponsor high-profile philanthropic initiatives, it can appear that the main levers of change are in their hands, not in those of ordinary citizens. Even well-intentioned elite projects can reinforce a sense that solutions come from above, from extraordinary individuals, rather than from organized publics.

Trust in institutions has eroded under these conditions. Many citizens perceive political systems as unresponsive or captured, responding more readily to donors and lobbyists than to voters. Low turnout, disengagement, and susceptibility to anti-democratic appeals are symptoms of this underlying disillusionment. At the same time, oligarchic actors can point to dysfunction and polarization as reasons to rely more on technocratic governance or private initiatives, further sidelining democratic processes.

In this context, the weakening of unions is not simply one more organizational shift; it is part of a broader transformation in how people imagine their role in public life. Without robust, mass-based organizations that can aggregate interests and sustain long-term campaigns, individuals face the political system as isolated agents, reliant on sporadic voting or individualized advocacy. Oligarchic power, by contrast, operates through dense networks and durable infrastructures. The resulting imbalance undermines the promise of democracy as a system in which citizens, collectively organized, can shape their common fate.

**9. Countercurrents: New Labor Experiments and Contested Oligarchy**

The weakening of traditional unions and the consolidation of oligarchic power do not mean that the story of worker resistance and collective action has ended. Rather, it has shifted into new terrains, using new tactics and organizational forms. In sectors that were once considered unorganizable, workers have mounted campaigns around wages, scheduling, and dignity. In newer industries like tech and logistics, employees have begun to challenge the assumption that high pay or cutting-edge products are substitutes for voice and power. Parallel to these efforts, alternative institutions such as worker centers, cooperatives, and digital networks have emerged to fill some of the gaps left by declining union density.

At the same time, the billionaire class is not monolithic. Some elite actors have expressed concern about inequality, supported higher minimum wages, or invested in initiatives that appear to strengthen worker voice. These intra-elite conflicts and reformist projects complicate the picture of a unified oligarchy. Yet they also reveal the limits of change from above, particularly when such efforts leave core structures of ownership and control intact. The

countercurrents of new labor experiments and contested oligarchy thus offer both grounds for cautious hope and reminders of how deeply entrenched the current order has become.

### 9.1 Service-sector organizing and campaigns like “Fight for 15”

One of the most visible arenas of new labor activism has been the low-wage service sector. Fast food, big-box retail, home care, and hospitality employ millions of workers, many of whom face low pay, unstable hours, and limited benefits. For decades, these sectors were considered difficult to organize because of high turnover, franchised ownership structures, and employer hostility. Yet campaigns like “Fight for 15” have demonstrated that even in such environments, workers can mobilize around clear demands for wage increases and improved conditions.

“Fight for 15” is emblematic because it combined workplace actions with broader political and media strategies. Rather than confining themselves to traditional union elections, organizers staged one-day strikes, marches, and public demonstrations that linked local grievances to a national narrative about living wages and economic justice. The campaign created pressure on major brands, influenced municipal and state minimum-wage policies, and reshaped the debate about what constitutes a fair wage in high-cost economies. Even where formal union recognition did not follow, the framing of fifteen dollars as a basic standard shifted expectations for workers and policymakers alike.

Service-sector organizing has also experimented with hybrid models that blend elements of unionism, community organizing, and legal advocacy. Workers have used complaints to labor boards, public shaming of abusive employers, and alliances with faith groups and community organizations to compensate for their weak formal bargaining position. These campaigns rarely achieve the comprehensive contractual coverage that industrial unions once secured, but they can win concrete gains, such as wage increases, anti-retaliation agreements, or improved scheduling practices. In the aggregate, they keep the idea of collective action alive in sectors where structural obstacles remain formidable.

### 9.2 Unionization efforts in tech, logistics, and higher education

New organizing efforts have also emerged in sectors that symbolize the contemporary economy: technology, logistics, and higher education. In tech, workers in both white-collar and blue-collar roles have begun to challenge the assumption that high pay or perks remove the need for collective representation. Content moderators, contract engineers, and warehouse staff tied to tech giants have protested working conditions, surveillance, and ethical concerns about the uses of their labor. In some cases, these efforts have led to formal union drives; in others, they have taken the form of walkouts, petitions, and worker-led councils.

Logistics, particularly in large warehouses and delivery networks, has become another focal point. Companies that dominate e-commerce and just-in-time distribution rely on dense

networks of warehouses and contractors, where workers face intense productivity pressures and heightened monitoring. Organizing in such environments is challenging, given high turnover and employer opposition, but successful union elections and ongoing campaigns show that the logistics sector is not immune to worker resistance. Because these hubs are critical nodes in supply chains, even small-scale disruptions can have outsized impact, giving workers strategic leverage if they can organize effectively.

Higher education, especially among graduate students, adjunct faculty, and staff, has seen a wave of unionization as well. Individuals who were once framed as apprentices or professionals-in-training increasingly see themselves as workers whose labor is essential to institutional functioning. Rising tuition, student debt, and precarious employment conditions have fueled organizing campaigns on many campuses. These efforts blur the lines between traditional blue-collar and white-collar unionism, suggesting that the desire for collective voice and improved conditions cuts across occupational categories when institutional supports are weak and inequalities are stark.

### 9.3 Alternative forms of worker power: co-ops, worker centers, and digital organizing

Beyond unions in the conventional sense, workers and their allies have built alternative institutions that seek to restore some measure of power and protection. Worker cooperatives, in which employees collectively own and govern their enterprises, provide one such model. While their overall share of the economy remains small, co-ops demonstrate that democratic control over production is possible, at least in certain niches. They can offer more equitable wage structures and a sense of shared responsibility, though they must still navigate competitive markets and access to capital.

Worker centers have emerged as another important vehicle, especially for immigrants, day laborers, and others who fall outside traditional union structures. These organizations typically provide legal assistance, know-your-rights education, and support for campaigns targeting abusive employers or exploitative industries. They rely more on community organizing and legal strategies than on collective bargaining, but they can win wage recoveries, safety improvements, and policy changes. In doing so, they act as intermediaries between individual workers and public institutions, compensating in part for the absence of union representation.

Digital organizing tools have also changed the landscape. Social media, encrypted messaging, and online platforms can help workers identify shared grievances, coordinate actions, and reach sympathetic publics without the same upfront infrastructure that unions once required. Hashtag campaigns, online petitions, and rapid-response networks have been used to pressure employers, expose injustices, and connect geographically dispersed workers. However, these tools can also encourage episodic, issue-specific mobilizations that are difficult to translate into

sustained organizational capacity. The challenge is to convert moments of digital visibility into durable structures capable of bargaining and long-term strategy.

### 9.4 Elite splits, reformist billionaires, and the limits of intra-oligarch conflict

The consolidation of oligarchic power does not mean that all elite actors share identical views or interests. There are notable splits among billionaires and corporate leaders on issues such as climate policy, immigration, and even certain aspects of inequality. Some high-profile figures have publicly called for higher taxes on the wealthy, stronger social safety nets, or corporate responsibility initiatives that address worker well-being. Others have funded projects to support local journalism, civic engagement, or criminal justice reform, positioning themselves as allies of democratic renewal.

These intra-elite conflicts can create openings for progressive policies or for alliances between reform-minded elites and labor or community organizations. For example, elite support for higher minimum wages in specific jurisdictions has occasionally reinforced grassroots campaigns, helping to overcome business opposition. In other cases, philanthropic funding has enabled research and advocacy that challenge aspects of the prevailing economic model. Such actions complicate any simple identification of the billionaire class with a single, cohesive project of domination.

Yet there are clear limits to what intra-oligarch conflict can achieve. Reformist billionaires rarely challenge the underlying structures that make their own wealth and influence possible. Even when they support higher taxes or stronger labor protections, they typically envision reforms that leave private control over major assets intact and rely heavily on expert-driven solutions. Their philanthropic and political interventions can overshadow or co-opt grassroots initiatives, channeling demands for structural change into more manageable, incremental projects. In this sense, elite splits are often about how to manage and legitimize an unequal order, not about whether that order should persist.

For workers and new labor movements, the existence of reformist elites presents a strategic dilemma. Aligning with some members of the billionaire class can yield short-term gains or help pass specific policies, but it risks reinforcing a model in which change is granted rather than won. The deeper question remains whether countervailing power rooted in organized workers and communities can be rebuilt to a point where it does not depend primarily on intra-elite benevolence or division. Countercurrents in labor and contested oligarchy thus point to both the possibilities and the constraints of resistance in an era where structural power has tilted so far toward the top.

## 10. Was There a Direct Transfer of Power? Interpreting the Shift

The story this paper has traced—from the mid-century prominence of unions to the contemporary dominance of billionaire elites—invites a tempting simplification: that power flowed like water from one reservoir into another. According to this view, as labor's institutional strength declined, the billionaire class stepped into the vacuum, inheriting much of the influence unions once wielded. There is a certain truth to this intuition. The timing aligns, and many of the arenas in which unions once mattered most—wage setting, electoral politics, public debate—are now heavily shaped by oligarchic actors.

Yet a direct transfer metaphor risks obscuring as much as it reveals. Power is not a conserved substance that can be passed along in a single transaction. It is a set of relationships embedded in institutions, rules, and practices. Some of those relationships have indeed been reconfigured in ways that shift leverage from organized workers to concentrated wealth. Others have remained stubbornly continuous, reflecting longstanding patterns of class dominance. Still others have changed in ways that place more power in machines, markets, and bureaucracies rather than in any particular group of people.

Interpreting the shift, therefore, requires a double vision. On the one hand, we must acknowledge the real substitution effects: where unions once constrained corporate strategies, billionaire donors and financial markets now often determine the bounds of policy and political competition. On the other hand, we must recognize the layers of continuity and complexity that prevent us from simply declaring that oligarchs now occupy the exact structural niche previously held by labor.

### 10.1 Continuity and rupture: what changed and what persisted

Any comparison between the mid-century order and the present must hold continuity and rupture together in view. The continuity lies in the basic fact that capital has long enjoyed structural advantages over labor in capitalist economies. Even at the height of union influence, firms could threaten investment strikes, relocate within national borders, or lobby for favorable policies. The state, for its part, often balanced labor demands against perceived needs for profitability, growth, and social stability. In this sense, oligarchic tendencies were never entirely absent; they were just constrained and mediated.

The rupture lies in the degree and form of constraint. During the high-water mark of union power, organized labor had institutional footholds that allowed it to shape wages, influence elections, and sit at the table in policy discussions. These footholds did not eliminate capital's structural advantages, but they forced compromises and embedded norms of sharing productivity gains. As unions weakened, those constraints loosened. The balance within the

long-standing triangle of capital, labor, and the state shifted, with capital, particularly its financial and billionaire fractions, gaining much greater room for maneuver.

What persisted, therefore, was the underlying asymmetry between those who own and control productive assets and those who sell their labor. What changed was the density and effectiveness of the institutions that allowed the latter to act collectively. The billionaire class did not invent the capacity of wealth to influence politics or to shape economic trajectories; it intensified and concentrated that capacity in ways that reflect both the erosion of countervailing forces and the technological and legal innovations of the late twentieth century.

**10.2 Structural substitution versus parallel developments**

The question of a direct transfer of power can be framed as a choice between two interpretations: structural substitution or parallel developments. The structural substitution view holds that unions and billionaires, though very different in composition and purpose, occupy broadly similar positions in the political economy. Both are seen as major organized actors capable of influencing wages, policy, and public narratives. As unions weakened, this role was increasingly filled by a relatively small number of ultra-wealthy individuals and their vehicles.

There is evidence for this substitution in specific domains. In electoral politics, union endorsements, field operations, and small-donor mobilization once played a central role in building party coalitions. Today, large donations from billionaires and corporate-backed entities often fill that role, funding campaign infrastructure and message development. In public debate, union-supported newspapers, radio shows, and educational programs have been replaced, in part, by media outlets, think tanks, and cultural projects financed by major fortunes. In wage-setting, the role of sectoral bargaining has, to some extent, been supplanted by investor-driven pressures on firms to minimize labor costs.

The parallel developments view emphasizes that both union decline and billionaire ascendance are products of larger transformations—technological change, globalization, financialization, and ideological shifts—rather than primarily cause and effect. From this perspective, the rise of oligarchic wealth would have occurred even if unions had managed to retain more of their strength, albeit perhaps in a more contested form. Likewise, unions might have declined in some areas even absent the emergence of a powerful billionaire class, as changing production structures made traditional organizing models harder to sustain.

In reality, the two interpretations intersect. Structural substitution is more plausible in some arenas than others, and parallel developments set the stage on which substitution occurs. The billionaire class did not simply inherit union power; it expanded into spaces that unions vacated or were pushed out of, using tools that reflected new technological and legal possibilities.

Understanding this interplay helps avoid overly linear stories while still recognizing that the weakening of labor made it easier for oligarchic actors to consolidate their position.

### 10.3 Power as a system: states, corporations, unions, and elites in interaction

To fully grasp the shift, it is useful to think of power as a system in which states, corporations, unions, and elites interact. None of these elements operates in isolation. States set the legal frameworks within which unions can organize and corporations can act; corporations respond to competitive pressures and lobbying efforts; unions mobilize workers and participate in politics; elites use their resources to influence both state and corporate behavior. The pattern of outcomes depends on how these actors relate to one another at any given time.

In the mid-twentieth century, this system was configured around a relatively stable compromise within national boundaries. States provided a floor of social protection and recognized unions as legitimate interlocutors. Corporations accepted collective bargaining as part of a regime that offered predictable markets and moderate regulation. Elites, while influential, operated within a context where strong unions and state commitments to social insurance limited how far inequality could rise without provoking backlash. Power was still uneven, but it was distributed across multiple institutions that could, under pressure, adjust the balance.

The contemporary system looks different. States are more constrained by global capital flows and by ideological commitments to market solutions. Corporations, especially transnational ones, can arbitrage between jurisdictions, playing states and workers against one another. Unions, weakened in many sectors, have less capacity to influence state or corporate decisions. Elites at the top of the wealth distribution can deploy resources across all these domains: financing campaigns, shaping regulation, directing corporate strategies, and sponsoring research and culture.

Seeing power as a system complicates the notion of a direct transfer from unions to oligarchs. The shift is not a simple replacement of one actor by another but a reconfiguration of the entire network of relationships. States, for example, have not disappeared; they have reoriented their priorities in ways more aligned with the needs of mobile capital and elite preferences. Corporations did not merely become more powerful in a vacuum; they did so in part by leveraging deregulation and by interacting with new forms of investor and billionaire influence. Unions did not simply lose power; they were crowded from multiple sides by changing laws, economic structures, and cultural narratives.

### 10.4 The advantages and limits of the “union power to oligarch power” thesis

The thesis that structural power shifted from unions to billionaire oligarchs has important advantages. It highlights the political economy of inequality, drawing attention to how the decline of one organized bloc of actors coincided with the rise of another. It underscores the

ways in which spheres once shaped by collective worker voice—wage norms, policy agendas, and media representation—are now heavily influenced by concentrated wealth. It captures, in a concise phrase, the intuition that what was once contested by millions is now often decided by a few.

However, the thesis also has clear limits. It risks overstating the symmetry between unions and oligarchs, implying that they occupy equivalent positions in the social order. Unions are membership-based organizations whose power depends on mobilizing large numbers of people and whose internal decisions are, in principle, subject to democratic procedures. Billionaires, by contrast, derive their power from ownership and control over assets, not from representation, and are answerable primarily to themselves and a narrow circle of stakeholders. To say that power has shifted from one to the other is to risk treating fundamentally different forms of power as interchangeable.

The thesis can also obscure other important dynamics. Focus on the billionaire class may underplay the role of impersonal mechanisms—such as algorithms, financial models, and bureaucratic procedures—in shaping outcomes. It may downplay the ways in which states still matter, both as constraints and as sites of potential contestation. And it may inadvertently encourage a narrative in which the primary hope lies in persuading or replacing oligarchic individuals, rather than in rebuilding mass-based institutions capable of exerting countervailing power.

A more nuanced conclusion is that the decline of unions removed a key pillar of counterpower in the mid- to late twentieth century, and that in the resulting vacuum, billionaire-centered oligarchic structures have expanded, deepened, and become more visible. This is not a one-to-one transfer but a partial substitution layered onto longer histories of class dominance and newer modalities of control. Recognizing both the strengths and the limits of the “union power to oligarch power” framing allows us to use it as a starting point for analysis rather than as a final verdict. It draws our attention to what has been lost, what has been gained by a small elite, and what might be required to reintroduce robust, democratic forms of collective power into an increasingly asymmetric system.

**11. Future Trajectories: Rebalancing Power in a Billionaire Age**

If the structural tilt toward oligarchic power is now a defining feature of the political economy, the central normative and strategic question becomes how, if at all, it might be reversed or at least moderated. Rebalancing power in a billionaire age is not simply a matter of technocratic adjustment; it requires institutional imagination, political will, and organizational forms capable of making demands on behalf of those who currently have little leverage. That said, it would be

misleading to suggest that the path forward is obvious or that any particular set of reforms can, by itself, restore the conditions of mid-century labor strength.

The possibilities fall along several axes. One concerns legal and institutional reforms: changes to labor law, campaign finance, and corporate governance that could widen the space for worker voice and limit the most corrosive forms of oligarchic influence. Another concerns the internal transformation of labor organizations themselves, which must adapt to fragmented, digital, and gig-based economies if they are to regain relevance. A third involves democratic innovations that create new sites of participation and deliberation outside traditional representative structures. Finally, there are unresolved questions about whether mass organizations can meaningfully constrain oligarchs in a world of global capital flows, platform dominance, and financialized governance.

**11.1 Legal and institutional reforms: labor law, campaign finance, and corporate governance**

Legal frameworks are not neutral backdrops; they structure who can organize, how power is exercised, and what forms of influence are considered legitimate. Any attempt to rebalance power in a billionaire age must therefore grapple with the architecture of law and institutions that currently favors concentrated wealth.

In the domain of labor law, reforms could aim to lower the barriers to organizing and strengthen enforcement of existing rights. This might include streamlining union recognition procedures, limiting the use of permanent replacement workers, and imposing more substantial penalties for employer retaliation and bad-faith bargaining. Beyond procedural tweaks, more ambitious proposals envision forms of sectoral or multi-employer bargaining that would allow workers in fragmented industries, such as care or hospitality, to negotiate standards that apply across firms rather than one workplace at a time. Such arrangements would partially restore the pattern-setting role unions once played, adapted to contemporary economic structures.

Campaign finance reform is another critical arena. While constitutional constraints limit the scope for restricting political spending in some jurisdictions, there remain options for increasing transparency, strengthening disclosure requirements, and expanding public financing of campaigns. Matching small donations with public funds, for example, can amplify the influence of ordinary contributors relative to large donors. Restrictions on the revolving door between regulatory agencies and industries, coupled with more robust conflict-of-interest rules, could reduce the capacity of wealthy actors to translate financial resources into policy capture.

Corporate governance reforms could also play a role in rebalancing power. Models of co-determination, in which workers elect representatives to corporate boards, seek to institutionalize worker voice within firms and to broaden the set of interests considered in strategic decisions. Stakeholder statutes that explicitly recognize obligations to employees,

communities, and the environment, alongside shareholders, may not be sufficient on their own, but they create a legal basis for contestation. Measures to limit stock buybacks or to tie executive compensation to metrics beyond share price could reduce some of the incentives that drive aggressive cost-cutting at workers' expense.

These legal and institutional reforms are not panaceas. Their effectiveness depends on enforcement, political support, and the willingness of organizations to use the tools they provide. Yet without some restructuring of the formal rules of the game, the asymmetric influence of billionaire elites and their corporate vehicles is unlikely to diminish.

**11.2 Reimagining unions for fragmented, digital, and gig economies**

Even the most favorable legal environment will not revive worker power if labor organizations themselves remain tied to models that no longer fit the structure of work. The challenge is to reimagine unions not as relics of an industrial era but as adaptable institutions capable of organizing across dispersed workplaces, digital platforms, and complex supply chains.

One dimension of this reimagining concerns membership and representation. Traditional unions often defined their constituencies in terms of specific employers, industries, or trades. In a world where people shift jobs frequently, work through intermediaries, or straddle multiple gigs, more flexible forms of affiliation may be needed. Multi-employer unions, occupational unions, or sector-based organizations can represent workers across a variety of employment relationships, providing continuity and bargaining power even as individual jobs change.

Another dimension involves the use of digital tools. Unions and worker organizations can leverage online platforms for outreach, internal deliberation, and rapid mobilization. Secure communication channels, data analysis, and digital organizing campaigns can help identify shared grievances and coordinate actions among workers who rarely meet in person. However, reliance on digital tools also raises questions about privacy, surveillance, and the risk of shallow engagement. The task is to integrate these technologies into organizational strategies that still prioritize deep, sustained relationships and democratic practices.

Representation of gig and platform workers presents a particularly complex challenge. Many such workers are legally classified as independent contractors, placing them outside traditional labor law protections. Strategies here may include pursuing legal reclassifications, negotiating sectoral standards through tripartite agreements with platforms and states, or building new forms of collective representation that combine elements of unions and professional associations. The goal is to find ways for workers to influence the algorithms, pay structures, and terms of service that govern their livelihoods.

Finally, unions may need to broaden their agenda beyond wages and working conditions to include issues such as data rights, surveillance, environmental sustainability, and community

well-being. By positioning themselves as institutions that defend broader social interests, they can build alliances with other movements and regain some of the moral authority they held when they were seen as engines of social progress, not just as negotiators of narrow workplace concerns.

### 11.3 Democratic innovations: participatory budgeting, workplace democracy, and beyond

Rebalancing power also requires revitalizing democratic practices beyond periodic elections. New forms of participation can give citizens and workers more direct control over decisions that affect their lives, and can counteract the sense that politics is something done by and for elites.

Participatory budgeting is one such innovation. By allowing residents to propose and vote on specific uses of public funds at the local level, it creates tangible experiences of collective decision-making and accountability. While the scale of such programs is often limited, they demonstrate that ordinary people can deliberate about trade-offs and priorities in ways that challenge the monopolization of fiscal decisions by technocrats and interest groups.

Workplace democracy offers another avenue. Employee-owned firms, co-determined governance structures, and internal councils can institutionalize shared decision-making within organizations. When workers have real influence over investment, production, and employment policies, the workplace becomes a site of democratic practice rather than merely a location of wage labor. If such models were scaled and supported, they could serve as counterweights to the hierarchical control typical of financialized corporations.

Other democratic innovations include citizens' assemblies, in which randomly selected participants deliberate on complex policy issues; neighborhood councils with real powers; and digital platforms for sustained, structured participation in decision-making rather than one-off opinion polling. These mechanisms cannot, by themselves, dislodge oligarchic influence, but they can create alternative channels through which collective preferences are articulated and enacted.

Importantly, these innovations are most potent when connected to organized constituencies. Participatory budgeting, for example, has more transformative potential when unions, community groups, and social movements are active participants, ensuring that marginalized voices are heard and that decisions are not dominated by already empowered actors. Similarly, workplace democracy initiatives benefit from the presence of strong worker organizations that can provide training, support, and oversight.

### 11.4 Open questions: can mass organizations meaningfully constrain oligarchs again?

The largest uncertainty concerns whether mass organizations of workers and citizens can once again impose meaningful constraints on oligarchic power in a context that differs so profoundly from the mid-twentieth century. Several questions remain open.

First, there is the issue of scale and coordination. Globalized production, mobile capital, and digital platforms operate across borders, while most labor and democratic institutions remain tied to national or subnational jurisdictions. Can unions and worker organizations build transnational structures capable of matching the reach of multinational firms and global investors? Will attempts at international solidarity be able to overcome differences in law, language, and political context, or will they remain episodic and fragile?

Second, there is the question of time horizons and attention. Billionaire elites operate through professionalized infrastructures that can sustain long-term strategies. Mass organizations, by contrast, must constantly attend to immediate material needs and maintain member engagement in environments saturated with distraction and precarity. Can they develop leadership, narratives, and practices that keep structural goals in focus while addressing daily struggles?

Third, there is the matter of legitimacy and imagination. In many places, unions and collective institutions carry the weight of past failures, corruption, or exclusion. Younger generations may have little direct experience with effective collective organization, making individual strategies appear more plausible. Can new forms of labor and civic organization demonstrate, in practice, that collective action can deliver tangible improvements and meaningful participation? Can they articulate visions of a just society that resonate in a world shaped by climate crisis, technological change, and cultural fragmentation?

Finally, there is the question of how oligarchic actors themselves will respond. Some may continue to resist any efforts to constrain their power, using their resources to block reforms and delegitimize opponents. Others may seek to co-opt or redirect emerging movements, offering concessions that stabilize the system without altering its core hierarchies. The ability of mass organizations to navigate these dynamics—accepting tactical alliances where useful, resisting co-optation where necessary—will be crucial.

What seems clear is that no single reform or organizational innovation will suffice. Rebalancing power in a billionaire age requires a mosaic of strategies: legal changes that open space for organizing, unions and worker organizations capable of functioning in new economic landscapes, democratic practices that go beyond thin electoralism, and cultural narratives that make collective agency both thinkable and desirable. Whether such a mosaic can be assembled at sufficient scale and speed is uncertain. Yet the alternative—continued drift toward an order in

which a small, wealthy elite sets the terms of social life with minimal constraint—raises its own stark questions about the future of equality, work, and democracy.

## 12. References

The following references are grouped thematically. They are not exhaustive but offer a starting point for deeper work on US labor history, inequality and oligarchy, campaign finance and lobbying, financialization, and contemporary labor and democratic reform.

---

### 12.1 Historical works on US labor and unionization


- Bernstein, Irving. *The Turbulent Years: A History of the American Worker, 1933–1941.*
- Dubofsky, Melvyn, and Foster Rhea Dulles. *Labor in America: A History.*
- Lichtenstein, Nelson. *State of the Union: A Century of American Labor.*Dokumen
- Lichtenstein, Nelson, et al. *Who Built America? Working People and the Nation's Economy, Politics, Culture, and Society.*National Park Service
- Montgomery, David. *The Fall of the House of Labor: The Workplace, the State, and American Labor Activism, 1865–1925.*
- Cowie, Jefferson. *Stayin' Alive: The 1970s and the Last Days of the Working Class.*
- Cowie, Jefferson. *The Great Exception: The New Deal and the Limits of American Politics.*
- Milkman, Ruth. *On Gender, Labor, and Inequality.*
- U.S. National Park Service. *Labor History in the United States* (thematic study and synthesis).National Park Service


---

### 12.2 Studies of inequality, wealth concentration, and oligarchic power


- Piketty, Thomas. *Capital in the Twenty-First Century.*
- Piketty, Thomas. *Capital and Ideology.*
- Saez, Emmanuel, and Gabriel Zucman. "Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data."Gabriel Zucman | Professor of economics
- Saez, Emmanuel, and Gabriel Zucman. "The Rise of Income and Wealth Inequality in America." *Journal of Economic Perspectives* (and related NBER working paper).NBER+1
- Saez, Emmanuel, Thomas Piketty, and Gabriel Zucman. "Distributional National Accounts: Methods and Estimates."Gabriel Zucman | Professor of economics

- Winters, Jeffrey A. *Oligarchy.*
- Gilens, Martin. *Affluence and Influence: Economic Inequality and Political Power in America.*
- Gilens, Martin, and Benjamin I. Page. "Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens."
- Stiglitz, Joseph E. *The Price of Inequality: How Today's Divided Society Endangers Our Future.*
- Oxfam International. *From Private Profit to Public Power: Financing Development, Not Oligarchy.*The Washington Post

---

**12.3 Analyses of campaign finance, lobbying, and regulatory capture**

- Lessig, Lawrence. *Republic, Lost: The Corruption of Equality and the Steps to End It.*Center for Public Integrity+1
- Mayer, Jane. *Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right.*Brennan Center for Justice+1
- Drutman, Lee. *The Business of America Is Lobbying: How Corporations Became Politicized and Politics Became More Corporate.*
- Ferguson, Thomas. *Golden Rule: The Investment Theory of Party Competition and the Logic of Money-Driven Political Systems.*
- Gilens, Martin. *Affluence and Influence* (also relevant here for money in politics).
- Foreman, Caleb. "Money in Politics: Campaign Finance and Its Influence on Electoral Outcomes." *UIC Law Review.*UIC Law Repository
- Brennan Center for Justice. "Dark Money Basics" and related reports on undisclosed political spending.Brennan Center for Justice
- Center for American Progress. *Undoing Citizens United and Reining in Super PACs* (recent overview of post–Citizens United landscape).Center for American Progress

---

**12.4 Literature on financialization, globalization, and corporate governance**

- Krippner, Greta R. "The Financialization of the American Economy." *Socio-Economic Review* (and related working paper versions).depfe.unam.mx+1
- Epstein, Gerald A. "Financialization: There's Something Happening Here." and edited volume *Financialization and the World Economy.*PERI UMass+1
- Davis, Gerald F. *Managed by the Markets: How Finance Reshaped America.*
- Lazonick, William. "Profits Without Prosperity." *Harvard Business Review* and subsequent work on stock buybacks and shareholder value.PERI UMass
- Guttmann, Robert. "Financialization Revisited: The Rise and Fall of Finance-Led Capitalism."SciELO
- Annual Review of Sociology. "Financialization of the Economy" (synthesis article on mechanisms and impacts).Annual Reviews
- Harvey, David. *A Brief History of Neoliberalism.*
- Pistor, Katharina. *The Code of Capital: How the Law Creates Wealth and Inequality.*
- Dore, Ronald. "Financialization of the Global Economy." and related work on stakeholder vs. shareholder models.

---

**12.5 Contemporary accounts of new labor movements and democratic reform**

- Milkman, Ruth, and Ed Ott, eds. *New Labor in New York: Precarious Workers and the Future of the Labor Movement.*
- Fine, Janice. *Worker Centers: Organizing Communities at the Edge of the Dream.*
- Juravich, Tom. "Worker Centers, the Fight for $15, and Union Organizing."SAGE Journals
- Ballentine, Kyle. "What Happens When the Fight for $15 and a Union Is Won …" *Chicago Journal of Sociology* (or equivalent venue; recent empirical assessment of campaign outcomes).Chicago Journals
- The Century Foundation. *Finding Workers Where They Are: A New Business Model for the Labor Movement.*The Century Foundation
- McAlevey, Jane. *No Shortcuts: Organizing for Power in the New Gilded Age.* and subsequent writings/interviews on high-participation organizing.The New Yorker+1

- Pope, Cynthia Estlund, and others. “Next Wave Organizing and the Shift to a New Labor Movement” and related scholarship on worker centers and gig organizing.OnLabor+1
- Recent case studies and reporting on worker organizing in logistics, tech, and gig work (for example, California’s emerging framework for gig worker unions and sectoral bargaining experiments).Politico
- Wampler, Brian. *Participatory Budgeting in Brazil.* and Fung, Archon. *Empowered Participation: Reinventing Urban Democracy* (for democratic innovations relevant to labor–community alliances).
- Coverage of the AFL-CIO “Workers First Initiative on AI” and similar union-led efforts to shape technological change.theverge.com

The author has published over 4,600 AI-assisted papers at: https://www.researchgate.net/profile/Douglas-Youvan/research . Google Scholar has indexed these preprints, and if you want a particular reference, the AI mode of a Google search (Gemini) has efficiently catalogued these preprints.